



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit

*Clean Michigan Initiative,
Environmental Protection Programs
Department of Environmental Quality*

Report Number:
76-217-05

Released:
February 2006

The Department of Environmental Quality (DEQ) administers the environmental protection programs funded by the Clean Michigan Initiative (CMI) bond. These programs include: Brownfield Redevelopment and Environmental Cleanup Program, Waterfront Redevelopment Program, Remediation of Contaminated Lake and River Sediments Program, Nonpoint Source Pollution Prevention and Control Program, Clean Water Fund Program, and Pollution Prevention Program.

Audit Objective:

To assess the effectiveness of DEQ's processes for selecting projects to fund with CMI bond proceeds.

Audit Conclusion:

We concluded that DEQ's processes for selecting projects to fund with CMI bond proceeds were effective. However, our assessment disclosed a reportable condition.

Reportable Condition:

DEQ's Remediation and Redevelopment Division should improve its process for documenting its selection of CMI-funded cleanup projects (Finding 1).

~ ~ ~ ~ ~

Audit Objective:

To assess the effectiveness of DEQ's monitoring efforts of CMI-funded projects.

Audit Conclusion:

We concluded that DEQ was effective in its monitoring efforts of CMI-funded

projects. Our report does not include any reportable conditions related to this audit objective.

~ ~ ~ ~ ~

Audit Objective:

To assess the effectiveness and efficiency of DEQ's closeout processes for CMI-funded projects.

Audit Conclusion:

We concluded that DEQ's closeout processes for CMI-funded projects were effective. Our report does not include any reportable conditions related to this audit objective.

~ ~ ~ ~ ~

Audit Objective:

To assess the effectiveness of DEQ's efforts to evaluate the performance of its CMI programs.

Audit Conclusion:

We concluded that DEQ was effective in its efforts to evaluate the performance of

its CMI programs. However, our assessment disclosed a reportable condition.

Reportable Condition:

DEQ should continue its efforts to fully develop a CQI process for evaluating the effectiveness of the CMI programs in meeting the purposes identified in the CMI legislation (Finding 2).

Noteworthy Accomplishments:

In September 2003, DEQ was one of eleven agencies that received the Most Valuable Pollution Prevention Award for its Retired Engineers Technical Assistance Program from the National Pollution Prevention Roundtable. The Most Valuable Pollution Prevention Awards are presented annually to recognize outstanding and innovative pollution prevention projects and programs.

Agency Response:

Our audit report contains 2 findings and 2 corresponding recommendations. DEQ's preliminary response indicated that it agreed with both of our recommendations.

~ ~ ~ ~ ~

~ ~ ~ ~ ~

A copy of the full report can be
obtained by calling 517.334.8050
or by visiting our Web site at:
<http://audgen.michigan.gov>



Michigan Office of the Auditor General
201 N. Washington Square
Lansing, Michigan 48913

Thomas H. McTavish, C.P.A.
Auditor General

Scott M. Strong, C.P.A., C.I.A.
Deputy Auditor General